



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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July 21, 1994

Mr. Roy Benson
Geneva Steel
RFD 1
P.O. Box 20-B
Santaquin, Utah 84655

Re: Reclamation Surety Renewal/Review, Geneva Steel, Keigley Quarry Operations, M/049/001,
Utah County, Utah

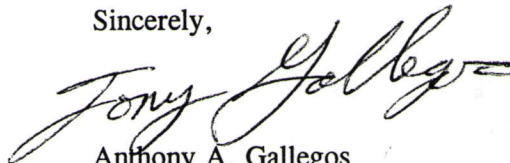

Dear Mr. Benson:

The reclamation surety for the Keigley Quarry is scheduled for a five-year review this year. The surety (Surety Bond) was originally estimated in 1988 dollars and escalated to 1994 dollars. The current surety is in the amount of \$505,000 for approximately 400 acres of disturbance. As part of this surety review the Division would like to perform a site inspection to evaluate the accuracy of the reclamation cost estimate.

The Minerals Program staff has recently been increased to four technical staff members and as a result, a new person (Mr. Lynn Kunzler) will be the contact for operations in the North-Central region of the state. This site inspection will also be an opportunity for Mr. Kunzler to become familiar with the Keigley Quarry operations. The last Division site inspection was performed in October 1991. We would like to perform this inspection as soon as possible in order to provide you with a revised surety amount prior to September 1994. This inspection would include a general overview of all of the Keigley Quarry operations.

I propose a site inspection sometime during the week of August 8-12. Due to the short notice and upcoming expiration date we will try to accommodate your schedule as much as possible. Please call me to confirm a convenient date and time for you or your staff to accompany us on a site inspection.

Sincerely,



Anthony A. Gallegos
Senior Reclamation Specialist

jb
cc: route-Wayne Hedberg, Lynn Kunzler, DOGM
M49-01RV,SUR